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RULES PROCESSING TEAM

OCT 16 2000

ExxonMobil
Exploration

October 12, 2000

Department of Interior
Minerals Management Service
Mail Stop 4024
381 Elden Street
Herndon, Virginia 20170-4817

Attention: Rules Processing Team

ExxonMobil Exploration Company appreciates this opportunity to offer comments on the Plain-Language Revision of Existing Rules for Joint Bidding Restrictions.

ExxonMobil Exploration Company believes that clarification of 30CFR Part 260.303 (d) is necessary in order to reflect accurately the intent of the regulation. This redrafted provision of former Part 260.303 (c) purports to prohibit *an agreement* that would result in two or more restricted joint bidders *acquiring or holding* an interest *in the tract* for which the bid is being submitted. We believe the intent of the regulation is to prohibit restricted joint bidders from entering into prior agreements covering open (unleased) tracts that are being bid. Such intent is consistent with the effect contemplated in its predecessor regulation. We are concerned, however, that the redrafted provision could be misinterpreted in support of an argument that it prohibits even subsequent agreements (such as AMIs) covering a tract after such tract has been properly bid and acquired. We seek clarification that the regulation does not prohibit subsequent agreements (such as subsequent AMIs) covering a tract after such tract has been properly leased.

Thank you for your consideration.

Very truly yours,

Carlos A. Dengo